

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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MAILING ONLINE SERVICE

Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS GARVEY TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T1-1-7)

The United States Postal Service hereby provides responses of witness Garvey to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T1-1-7, filed on July 21, 1997.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

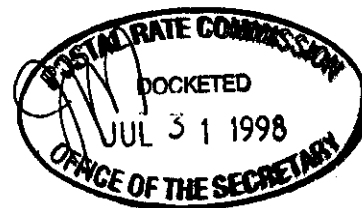
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

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July 31, 1998



RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS GARVEY
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T1-1. Please refer to your testimony at page 9, lines 1-2, concerning Mailing Online volume. Please confirm that customers of the Mailing Online service will not be required to specify a minimum volume to be printed and inducted into the mailstream in order to utilize the Mailing Online service. If you do not confirm, please explain.

RESPONSE:

Confirmed

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS GARVEY
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T1-2. Please refer to your testimony at page 2, lines 9-12, concerning commercial print sites. Please confirm that each commercial print site for the Mailing Online service will pay the \$100 First-Class Presorted Mailing fee and the Standard Mail Bulk Mailing fee. If you do not confirm, please explain.

RESPONSE:

Neither the First-Class Presorted Mailing fee nor the Standard Mail Bulk Mailing fee will be paid by the commercial print sites since the permits on which the mailings are submitted are held by Postal Service.

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OCA/USPS-T1-3. Please refer to your testimony at page 2, lines 9-12, concerning commercial print sites.

- a. Please confirm that a contract award for a commercial printing site is expected within 30 days. If you do not confirm, please explain.
- b. Please provide a copy of the Request For Proposals or other document (RFP) soliciting bids from printing contractors for the contract expected to be awarded referred to in part (a) above.
- c. Please provide the following with respect to the commercial printers responding to the RFP for the contract expected to be awarded referred to in part (a) above.
 - i. number of commercial printers responding to the RFP; and,
 - ii. number of employees by commercial printer.
- d. Please provide a copy of the contract referenced in part (a) above.

RESPONSE:

- a. Confirmed
- b. This document has been filed as USPS-LR-5/MC98-1.
- c.
 - i. *Procurement regulations prohibit public disclosure of this information before award of a contract. This information will be provided thereafter.*
 - ii. It is my understanding that the Postal Service does not request this information from potential contractors.
- d. USPS-LR-5/MC98-1 becomes the contract once prices are filled in and signatures are affixed.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS GARVEY
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OCA/USPS-T1-4. Please refer to your testimony at page 2, lines 9-12, concerning commercial print sites.

- a. Please confirm that the Postal Service intends to issue 25 separate solicitations for bids for the 25 commercial print sites expected to be in operation during 2001. If you do not confirm, please explain.
- b. Please confirm that more than one of the 25 commercial print sites expected to be in operation during 2001 could be owned and operated by the same commercial printer. If you do not confirm, please explain.

RESPONSE:

- a. Confirmed.
- b. This is possible if the same commercial printer separately bids on and is awarded more than one competitive solicitation.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS GARVEY
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OCA/USPS-T1-5. Please refer to your testimony at page 2, lines 9-12, concerning commercial print sites.

- a. Please confirm that, as demand grows, there will be more than one commercial printer within the geographic area of some commercial print sites. If you do not confirm, please explain.
- b. If there is more than one commercial printer within a geographic area of a commercial print site, will the rates vary depending upon which commercial printer is assigned the customer's documents?
- c. If there is more than one commercial printer within a geographic area of a commercial print site, please explain how the Postal Service will choose to assign the printing of a customer's document to one of the commercial printers.

RESPONSE:

- a. Our intent in estimating 25 sites is to ensure adequate geographic coverage within the continental United States with reasonable service expectations regardless of volume. Volume estimates provided to vendors with the RFP currently presume that a single printer will receive all volume for a given area. Actual demand distribution cannot be gauged accurately without experience and it may be necessary to adjust expansion plans to divide a specific geographic area among more than one commercial printer.
- b. Yes, our proposal is for Mailing Online fees to be based on actual contract prices of specific printers. Rates for postage, of course, would not vary.
- c. Routing is currently based on ZIP Code ranges. New printer locations within a geographic area would be assigned distinct ZIP Code ranges within that area. Document assignment would be based on destination ZIP Code.

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OCA/USPS-T1-6. Please refer to Appendix A, page 2, where data collection is described. Does the Postal Service plan to collect information on any of the following:

- a. the frequency and duration of technical support calls from customers or printers;
- b. the frequency of equipment and transmission repairs;
- c. time spent educating USPS Mailing Online customers about the new service or;
- d. time spent instructing USPS Mailing Online customers in how to use the new service.

RESPONSE:

a, c-d. For the experimental Mailing Online service (MOL) all customer support, education and training are to be handled through the PostOffice Online Help Desk, a contracted telephone support center. An automated call tracking system is planned to capture data on all calls, including frequency, duration and cause. MOL specific data will be collected from this system.

b. Technical support activities for the MOL system will be logged at the data center to track equipment and network outages.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS GARVEY
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OCA/USPS-T1-7. Please refer to your testimony at page 2, lines 9-12, concerning commercial print sites.

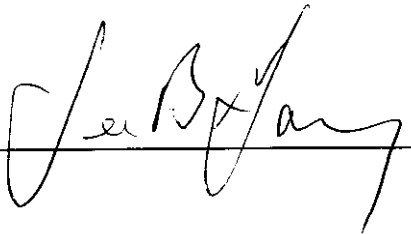
- a. Please confirm that each commercial printer awarded one of the expected 25 printing contracts will perform and provide the same printing services as every other commercial printer awarded a printing contract. If you do not confirm, please explain.
- b. Please confirm that the printing contracts awarded for each of the expected 25 commercial print sites will be identical, except for the total price of the contract. If you do not confirm, please explain.

RESPONSE:

- a. Confirmed.
- b. It is our intent to have each contract as identical as possible and we have worked hard to identify any changes before awarding the first one. We realize however that changes may arise due to unforeseen circumstances and are prepared to be flexible to the extent necessary.

DECLARATION

I, Lee Garvey, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.



A handwritten signature in cursive script, appearing to read "Lee Garvey", is written over a horizontal line.

Dated: July 31, 1998

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in cursive script, appearing to read "Scott Reiter", is written over a horizontal line.

Scott L. Reiter

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